

Washington, D.C. – U.S. Rep. Tom Rooney (FL-16) today introduced the following three bills to reduce insurance premiums and cleanup costs related to hurricanes and other natural disasters:

□□□□□□□□ **1The Natural Disaster Mitigation Act** would provide a tax credit (equal to 25% of mitigation expenditures up to \$5,000) to qualified homeowners who mitigate their homes to prevent or reduce the risks that can result from hurricanes and earthquakes. The bill is cosponsored by Reps. Bennie Thompson (D-MS), Allen West (R-FL), and Jo Bonner (R-AL).

“Mitigation must be a priority,” Rooney said. “Too many families and homes remain unnecessarily vulnerable to natural disasters like hurricanes. While mitigation will never eliminate the risk to homeowners, it could reduce loss and, in many cases, save a family’s home.

“For every \$1 spent on mitigation, \$4 in post storm cleanup and rebuilding is saved. These tax credits would provide an important incentive for families to proactively protect their homes from natural disasters.

□□□□□□□□ **2The Policyholder Disaster Protection Act** would create a tax-deferred reserve that insurance companies can set up to cover the losses from future natural disasters. Currently, insurance companies can only reserve against losses that have already occurred. Rep. West is an original cosponsor.

“Floridians have seen their insurance premiums skyrocket in recent years because of the threat of natural disasters,” Rooney said. “Allowing insurance companies to save for future losses and take proactive measures to protect policyholders would prevent companies from having to increase premiums after losses occur. This legislation would help keep insurance rates under control.”

□□□□□□□□ **3The Catastrophe Savings Accounts Act** would create tax-exempt catastrophe savings accounts (CSAs) to pay expenses resulting from a presidentially declared major disaster. Rep. West is an original cosponsor.

“As Floridians know all too well, when a hurricane or other disaster strikes, the costs can be enormous, even if you have insurance. Tax-exempt catastrophe savings accounts would allow people to put away a little money each month, before taxes, and save it for when disaster strikes.”

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